

Cal-Mortgage Loan Insurance Premium Fee Schedule

- (a) The premium rate charged for the insurance of loans by the Office paid by all borrowers shall be three percent (3%) of the total amount of principal and interest payable over the term of the loan, unless the borrower requests and qualifies for a lower premium rate under subsection (b) below.
- (b) Borrowers that choose to obtain and do obtain a credit rating of CCC or higher from one of the three rating agencies listed below shall qualify for the discounted premium rate corresponding to the rating. If the Office determines that it is in its best interest, it may allow the use of a credit assessment, credit opinion or equivalent from one of the three rating agencies listed below, using the rating assigned therein instead of the credit rating for this purpose. The borrower shall direct the credit rating agency to send the rating (or credit assessment, opinion, or equivalent) to the Office, with a copy to the borrower.

Rating Agencies			Insurance
Standard & Poor's	Moody's	Fitch	Premium Rate
AAA	Aaa	AAA	
AA+	Aa1	AA+	0.80%
AA	Aa2	AA	0.85%
AA-	Aa3	AA-	0.90%
A+	A1	A+	1.15%
A	A2	A	1.20%
A-	A3	A-	1.25%
BBB+	Baa1	BBB+	1.80%
BBB	Baa2	BBB	1.85%
BBB-	Baa3	BBB-	1.90%
Below Investment Grade:			
BB+	Ba1	BB+	2.65%
BB	Ba2	BB	2.70%
BB-	Ba3	BB-	2.75%
B+	B1	B+	2.80%
B	B2	B	2.85%
B-	B3	B-	2.90%
CCC	CCC	CCC	2.95%
Lower than CCC			3.00%

- (c) The rating will be used only to determine what premium rate the Office will charge that borrower, if the Office decides to insure a loan to that borrower. The fact that a borrower is able to obtain a CCC rating or above does not entitle that borrower to insurance.